

Message Text

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PAGE 01 DACCA 01703 070953Z

51

ACTION NEA-09

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 TRSE-00 XMB-02 OPIC-03 SP-02 CIEP-01

LAB-04 SIL-01 OMB-01 CEA-01 STR-04 DODE-00 PM-03 H-02

L-02 NSC-05 PA-01 PRS-01 SS-15 USIA-06 IO-10 /096 W

----- 019204

R 070900Z APR 75

FM AMEMBASSY DACCA

TO SECSTATE WASHDC 6331

INFO AMEMBASSY NEW DELHI

AMCONSUL CALCUTTA

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E.O. 11652: N/A

TAGS: EFIN, BG

SUBJECT: BANGLADESH DEMONETIZES HUNDRED TAKA NOTES

1. BDG ANNOUNCED APRIL 6 THAT ALL ONE HUNDRED DENOMINATION TAKA NOTES WERE DEMONETIZED EFFECTIVE APRIL 7. THE STEP WAS TAKEN "IN THE GREATER INTEREST OF NATIONAL ECONOMY". THE ANNOUNCEMENT CARRIED NO FURTHER EXPLANATION FOR THIS ACTION. THE ONE-HUNDRED TAKA NOTES WILL BE ACCEPTED FOR DEPOSIT AT BANKS, POST OFFICES AND BDG TREASURIES APRIL 7, 8, AND 9. BANKS AND BDG TREASURIES WILL SUSPEND ALL NORMAL OPERATIONS ON THOSE DAYS. RECEIPTS FOR THE VALUE OF THE NOTES WILL BE ISSUED TO DEPOSITORS, BUT "THE METHOD OF REFUNDING THE VALUE OF THESE NOTES WILL BE ANNOUNCED LATER".

2. TEXTS OF PRESS RELEASE AND SPECIAL DIRECTIVE FOLLOW BY AIRGRAM.

3. COMMENT: THIS DEMONETIZATION OF THE LARGEST DENOMINATION CURRENCY NOTE IN CIRCULATION IS DOUBTLESS

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PAGE 02 DACCA 01703 070953Z

AIMED AT HOLDERS OF "BLACK MONEY", I.E. FUNDS ACQUIRED

ILLEGALLY, INCLUDING INCOME NOT RPT NOT DECLARED FOR
TAX PURPOSES. MOVE WOULD THUS BE IN LINE WITH SECOND
REVOLUTION EMPHASIS ON ELIMINATING CORRUPTION. DE-
MENETIZATIONS OF THIS SORT WERE TAKEN IN THE PAKISTAN
PERIOD, BUT THIS IS THE FIRST SUCH ACTION IN BANGLADESH
SINCE INDEPENDENCE.
CHESLAW

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NNN

Message Attributes

Automatic Decaptioning: X
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Concepts: DEVALUATIONS, CURRENCIES
Control Number: n/a
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Draft Date: 07 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: RowellE0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750119-1050
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Handling Restrictions: n/a
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Review Content Flags:
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Review Exemptions: n/a
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Margaret P. Grafeld
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